AMENDED IN SENATE JUNE 22, 2005 AMENDED IN ASSEMBLY MAY 26, 2005 AMENDED IN ASSEMBLY APRIL 25, 2005 AMENDED IN ASSEMBLY APRIL 12, 2005

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

ASSEMBLY BILL

No. 766

Introduced by Assembly Member Chavez

February 18, 2005

An act to add Chapter 34 (commencing with Section 22949) to Division 8 of the Business and Professions Code, relating to the Internet. amend Section 123285 of, and to add Section 123311 to, the Health and Safety Code, relating to women, infants, and child nutrition.

LEGISLATIVE COUNSEL'S DIGEST

AB 766, as amended, Chavez. Internet-based dating services. WIC program vendors.

Existing law, the California Special Supplemental Food Program for Women, Infants, and Children (WIC), authorizes establishment of a statewide program, administered by the State Department of Health Services, for providing nutritional food supplements to low-income pregnant women, low-income postpartum and lactating women, and low-income infants and children under 5 years of age, who have been determined to be at nutritional risk. The program, which implements a program authorized under existing federal law, provides for the redemption of nutrition coupons by recipients at any authorized retail food vendor.

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This bill would require the department to establish competitive price criteria and allowable reimbursement levels for WIC-only vendors, as defined, and would provide for the payment of those vendors at the average payment per voucher paid to comparable vendors, as described.

Existing law provides for the regulation of various businesses.

This bill would require an Internet-based dating service to remove a subscriber's personal information from public display or view of other subscribers upon expiration or termination of the service or subscription of the subscriber, if he or she is located in California. The bill would exempt a service from this requirement if the subscriber is given the option, during the subscription period and after the termination or expiration of the service, to remove his or her information from public display.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. (a) The Legislature finds and declares all of the 1 following:
- (1) The California Supplemental Food Program for Women, 4 Infants, and Children (WIC) is a vital program for meeting the health needs of pregnant, postpartum, and lactating women, infants, and young children at nutritional risk.
 - (2) The federal government recently enacted the "Child Nutrition and WIC Reauthorization Act of 2004."
- 9 (3) This federal act requires states to establish vendor peer groups, competitive price criteria, and maximum allowable 10 11 reimbursement levels for WIC-only vendors. 12
 - (4) This federal act also prohibits the competitive price criteria, and the allowable reimbursement levels established by the states from resulting in average payments per voucher to WIC-only vendors that are higher than the average payments per voucher to comparable vendors that are not WIC-only vendors.
 - (5) In analyzing the provisions of the Reauthorization Act, Senate Report 108-279 declares that the act "provides to states broad latitude in determining the appropriate peer groups, competitive price criteria, and maximum reimbursement levels."

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(6) In analyzing the cost-containment provisions of the federal act, Representative Boehner stated, "supermarket chains receive significant price discounts and concessions from manufacturers...

Independently owned stores, including independently owned chains and most WIC-Only stores, generally do not have the negotiating power to bargain for these benefits. As a result, independently owned stores may spend as much to purchase a product at wholesale as the retail price at a big chain. Because of this, vendor peers should allow for somewhat higher prices at small stores, relative to the larger supermarkets."

- (b) It is the intent of the Legislature to enact legislation that complies with the cost-containment provisions of the "Child Nutrition and WIC Reauthorization Act of 2004."
- SEC. 2. Section 123285 of the Health and Safety Code is amended to read:
- 123285. As used in this article, the following definitions shall apply:
- (a) "Health professional" means a physician and surgeon, registered nurse, nutritionist, dietitian, or state or local medically trained health official, who is competent to professionally evaluate nutritional need and to authorize supplemental foods, as determined by the state department.
- (b) "Low income" means an income of not more than 185 percent of the poverty level as determined by the federal poverty income guidelines promulgated by the United States Department of Health and Human Services.
- (c) "Recipient" means low-income pregnant women, low-income postpartum and lactating women, and low-income infants and children under five years of age, who are determined to be at nutritional risk by a health professional, based on criteria established by the state department.
- (d) "Nutrition coupon" means a check that is limited as to value, food type, and food quantity and that has a limited period of validity.
- (e) "WIC-only vendor" means any food vendor for which more than 50 percent of the annual revenue of the vendor from the sale of food items consists of revenues from the sale of supplemental foods that are obtained with food instruments.
- 39 (f) "Large supermarket" means any store to which any of the 40 following apply:

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(1) It is owned by a corporation having a total annual sales in excess of two billion dollars (\$2,000,000,000). Total annual sales shall not be limited to the sale of WIC items.

- (2) It has more than 10,000 square feet of selling space.
- (3) It has more than 10,000 different stock-keeping units (SKUs).
- SEC. 3. Section 123311 is added to the Health and Safety Code, to read:
- 123311. (a) The department shall establish competitive price criteria and allowable reimbursement levels for WIC-only vendors. WIC-only vendors shall be paid the average payment per voucher paid to comparable vendors.
- (b) For purposes of this section, "comparable vendors" shall not include WIC-only vendors or large supermarkets, as defined in Section 123285.

SECTION 1. Chapter 34 (commencing with Section 22949) is added to Division 8 of the Business and Professions Code, to read:

CHAPTER 34. INTERNET-BASED DATING SERVICES

22949. An Internet-based dating service shall immediately remove a subscriber's personal information from public display, or view of other subscribers, upon the expiration or termination of the service or subscription of the subscriber, if he or she is located in California, unless the subscriber is given the option, during the subscription period and after the termination or expiration of the service, to remove his or her information from public display.